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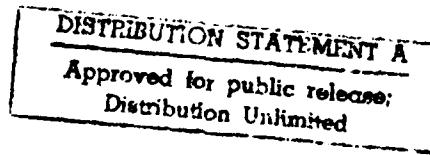
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U.S. DEFENSE POLICY: THE YEAR IN REVIEW, 1979*

Kevin N. Lewis, Peter Malone

The Rand Corporation, Santa Monica, California

July 1980

Trends within the United States, which had been discernible for several years, were focused by events in 1979 towards a consensus in favor of increased military spending and a more assertive American presence abroad. To some extent the immediate pressure for increased defense expenditure reflected specific phenomena: the onset of the 1980 presidential campaign; some senators' use of the threat to vote against the ratification of SALT II for leverage on an administration they regarded as reluctant to support major new strategic weapons programmes; and the Soviet invasion of Afghanistan. Yet, since the new defense programmes were for the most part in train before the Soviet move into Afghanistan, it was wrong to regard them as a reaction to it (or indeed to see the U.S. response to the invasion as little more than a Washington election gimmick). Moreover, the mood underlying them was quite broadly based and liable to endure. A Gallup poll conducted in late September showed that 60% of the electorate supported increased defense expenditure, with only 9% favoring reduction (whereas an identical poll in 1971 had produced figures of 11% and 49% respectively).

The most important reason for this change was straightforward: a greater appreciation of the magnitude of Soviet military efforts over the past decade. Concern over Soviet capabilities and intentions had already been evident as early as 1976, when Governor Reagan compelled President Ford to drop the word 'detente' from his political lexicon. But it took until 1979 for the Carter Administration and the Congress to develop the same degree of concern over the steady build-up of Soviet military strength that was agitating critics of U.S. defense policies. The SALT debates then concentrated Congressional and public

* This piece originally appeared in the International Institute of Strategic Studies, *Strategic Review* 1979, pp. 33-38. It is reproduced here as edited.

attention on the relative decline of American military power. Demands for increased military spending were in these circumstances inevitable.

Iran and Afghanistan underlined a resurgent sense of American vulnerability to events in the Middle East and Persian Gulf. Public concern dated back to 1973, but it was only fully crystallized by the overthrow of the Shah and the resulting fuel shortages in the United States, by the occupation of the U.S. Embassy in Iran and the taking of American citizens as hostages, and, still more strikingly, by the invasion of Afghanistan. These events generated overwhelming support for a build-up of American naval and interventionary capabilities. In their frustration, many viewed the taking of the hostages as a result of U.S. military weakness (for example, believing that the Iranian students would not have dared seize the Soviet Embassy), and the invasion of Afghanistan was seen as an even starker sign of the need for American strength.

In the first instance, the announcements of new military measures were symbols of the United States' commitment to her friends in the region and signals of her resolve to the Soviet Union. However, there was a risk in signalling intentions that could not be fulfilled if need be, and there were obvious problems in obtaining military power in the region and then using it effectively. Even with the Shah in power, the Soviet Union had held an overwhelming advantage in conventional power in south-west Asia. Equally, the American search for staging rights and military facilities, might, by identifying friendly governments too closely with the United States, expose them more than it protected them. The United States negotiated such rights with Oman, Kenya and Somalia in early 1980, but Saudi Arabia refused them to her for precisely this reason. Finally, as the hostages in Teheran illustrated, it is difficult to apply military power when there is no clear military threat; the presence of a U.S. carrier task force in the Arabian Sea from early December did not help obtain the release of American diplomats from their unlawful captivity in Iran.

Strategic Forces

Clear signs of evolution in American strategic doctrine appeared in

1979. "Counterforce," the rallying cry of its critics on the right, was no longer a concept to be avoided by the Administration. The findings of the review of nuclear war plans which Defense Secretary Harold Brown had ordered in 1977 began to be translated into policy, and his Defense Report for the Fiscal Year 1980 differed sharply in tone from the FY 1979 version. Brown argued that a true "counter-vailing" strategy required a capacity to cover Soviet military targets, including hardened missile silos, and that in the current environment a deterrent strategy based solely on an assured destruction capability was no longer "wholly credible." There were press reports of efforts to devise targeting options designed, for example, to undermine Great Russian ethnic ascendancy or Communist Party political control in wartime. Administration interest in American command and control, air and anti-missile defense, and civil defense was also a reflection of these shifts in doctrine.

In the countervailing strategy, unlike earlier U.S. doctrines, there was a place for the capability to destroy hard targets with a great degree of urgency--i.e., to destroy Soviet missiles in their silos. This was reflected in the Administration's decision, after much hesitation, to procure the MX mobile ICBM, which, after languishing in engineering development for several years, moved into full-scale development in the spring. President Carter opted for the 190,000-pound, 92-inch diameter model, rather than a smaller 86-inch version, and this in effect excluded the possibilities of a common programme for both the MX and the *Trident II* sea-launched missile and of an air-mobile or air-launched MX. The new missile might be tipped with ten Mk 12A warheads, each with an estimated yield of 300-350 KT. Its initial operational capacity (IOC), originally scheduled for FY 1982, is unlikely to be achieved before 1986, with full operational capability (FOC) not likely until the end of the decade. (The Administration, supported by the Joint Chiefs of Staff, resisted efforts to accelerate the IOC to FY 1985-6 on the ground that this would not justify its enormous extra cost.)

While the missile itself therefore seemed firmly on the way to procurement, its basing mode remained uncertain. Resolution of this

issue was dictated less by operational necessity than by the desire to assure Congress that the Administration seriously intended to deploy the new missile, rather than to sacrifice it as a bargaining chip in SALT negotiations. In September, Secretary Brown announced that a horizontal multiple protective shelter basing mode for MX had been selected--a choice largely dictated by arms-control considerations.*

This called for each missile to be mounted on a transporter-erector-launcher vehicle which would be driven around an elliptical track studded with 23 dispersed shelters. The planned 200 missiles would therefore have 4,600 separate potential launch points, but the provision of movable "sun roofs" atop each shelter could assure Soviet reconnaissance that only 200 missiles were in fact deployed at any one time.

There was concern over the extent to which arms-control considerations had inflated the cost of this option, and the Administration's 30-40 billion dollar estimate of MX's final cost was regarded by many as over-optimistic. As 1980 began, doubts were increasing as to whether the "race-track" system would ever be built as planned. Constructing it in the American south-west, as early plans suggested, would be an enormous task, and myriad lawsuits and problems with federal and state environmental legislation had already begun. The system depended on the extent of the Soviet threat continuing to be subject to the limitations imposed by SALT II, particularly the limitation on the number of warheads that each type of Soviet missile was permitted to carry. Moreover, there was the formidable technical difficulty of giving a massive missile launcher the "dash" speed needed to relocate a missile from one silo to another in the period of 30 minutes or so between early warning of a Soviet ICBM launch and the missiles' arrival. These practical problems and the delay in ratifying SALT II combined to give impetus to a reopening of the debate over other basing alternatives, some of which involved active defense of silos by anti-ballistic-missile missiles, which would require modification of the ABM Treaty.

The MX issue was closely related to concern over the theoretical vulnerability of America's 1,000 Minuteman ICBM to a pre-emptive strike

* That basing mode has been subject to subsequent revision.

by the Soviet Union. Unexpectedly accurate test performances by Soviet SS-18 and SS-19 ICBM compelled the government to revise estimates of the date at which U.S. ICBM would become vulnerable to a Soviet first strike from the mid-1980s to 1983. Efforts to increase American missile accuracy also continued. Silo upgrades and the refitting of the *Minuteman* force with the NS-20 guidance system were completed during the year, and deployment of the new Mk 12A warhead (scheduled to equip 300 *Minuteman* III) begun. With improved yield and accuracy, *Minuteman*'s single-shot kill probability against Soviet silos would double to between 66% and 80% or more, depending on the hardness of the silo.

The *Francis Scott Key*, the first *Poseidon*-equipped missile submarine to be refitted to carry the new *Trident* I missile, went out on operational patrol in the Atlantic in October. Eleven other *Lafayette*-class boats will be similarly refitted by 1982. The *Trident* I missile carries eight 100-KT Mk 4 re-entry vehicles and is as accurate as *Poseidon* over twice the range. The *Ohio*, the first submarine designed from the outset to carry *Trident*, was launched in April but will not join the operational fleet until 1981. To be fitted with 24 *Trident* I missiles, she will be based at Bangor, Washington, and deployed in the Pacific. An Atlantic base for *Trident* boats was under construction at King's Bay, Georgia. But this submarine-building programme was still plagued with difficulties; in 1976, it had been hoped that ten *Ohio*-class boats would be deployed by 1981, but it now appeared that only one or two would be available by that date. Spiralling programme costs had made it necessary to extend the service lives of *Polaris*- and *Poseidon*-equipped boats so as to avert a sharp drop in U.S. SLBM strength in the mid-1980s.

Efforts to improve the strategic bomber force intensified in 1979. In the FY 1980 budget \$440 million was allocated to extend the service life, and to some extent to increase the penetration capability, of the B-52 bomber. At the year-end a "fly-off" competition between the General Dynamics AGM-109 (*Tomahawk*) and the Boeing AGM-86B cruise missiles was under way. The victor was to be selected in 1980 as the Air Force's new air-launched cruise missile (ALCM), the first of which

were planned to be deployed aboard a B-52G in September 1981.* While it was not yet clear what form the ALCM force would ultimately take, one-third of these weapons was likely to be deployed on board B-52Gs. The remaining two-thirds could be carried by a specialized type--a modification of either a large transport plane, such as the Boeing 747, DC-10 or C-5, or a smaller transport, such as the YC-14 or YC-15. However, it was reported that the Air Force was also considering development of an austere, fixed-wing version of the previously cancelled B-1 bomber, designed to carry some 30 ALCM. This, by virtue of its rapid take-off and fly-out capabilities, would be more likely to survive an attack on American airfields by Soviet sea-launched ballistic missiles.

Manpower Problems

President Carter announced in January 1980 that the United States was considering re-instituting registration for the draft, to include women. In its timing this was primarily a signal of the seriousness with which the U.S. regarded the Soviet invasion of Afghanistan, but it also reflected real and enduring manpower problems within the American military. The President referred to these several times during 1979, and at the year-end they were highlighted by press reports of an internal memorandum from the Chief of Naval Operations detailing the Navy's problems in retaining skilled enlisted personnel.

The most obvious problem was recruiting enough people to fill service requirements. Manpower needs in 1980 would rise by 20% over 1979, but the number of males in the 17-21 age group had been declining since 1978. In 1979, for the first time since America moved to an all-volunteer army in 1973, all four military services failed to meet their recruiting quotas. Similarly, it was harder and harder to recruit people with sufficient education: the proportion of army recruits with a secondary school diploma fell from 74% in 1978 to 64% in 1979.

Even more serious than recruitment was the problem of retaining skilled personnel. This had hit hardest in the Navy--where the career

* The Boeing entry won in the Spring of 1980.

reenlistment rate fell from 90% in 1971 to 62% in 1979--but every service had been affected. In a number of skilled jobs, such as pilots, physicians, engineers and a variety of technical non-commissioned officers, the services faced increasing competition from the private sector. The military instituted a number of incentives to improve retention, and in January 1980 the Joint Chiefs of Staff requested pay increases of over 10%, well above 7% granted to government employees.

Another effect of abolishing the draft had been a dramatic reduction in the level of reserves, which was causing growing concern about the United States' ability to respond to military threats outside Europe. Her ready reserve, which had declined from a peak of 1.5 million in 1972 to a low of 356,000 in 1978, numbered about 400,000 in 1979. The absence of the draft necessarily meant that the United States had a smaller pool of people with recent military experience--and hence a lesser capacity to mobilize--than the Soviet Union.

Forward Deployments

By the middle of the year the President had retreated on another front. In 1977 he had honored a campaign promise by announcing his intention to withdraw U.S. combat troops from South Korea. Small withdrawals were made in 1978, but late in that year an intelligence review indicated that North Korean military forces had been underestimated by as much as 25%, so that the parity of forces on which American withdrawal had been premised no longer existed. In January 1979 a special Senate study group chaired by Senator Sam Nunn urged cancellation of the troop withdrawal plans. The cost of repatriating and reconfiguring the Second Division was expected to be \$1.5-2.4 billion, and there were fears that the withdrawals might undermine deterrence on the peninsula without reducing American obligations in the event of war, since some 16,000 U.S. Air Force personnel and support troops were to remain in any case. In July 1979, after visiting Seoul and touring the de-militarized zone, the President decided to postpone U.S. withdrawal until 1981 at the earliest.

Amid growing concern about American ability to project military

power, Washington renegotiated several agreements on basing rights. Rights to the Subic Bay and Clark Air Force Base facilities in the Philippines, both critical to American capabilities in the Pacific and Indian Oceans, were renewed in 1979. President Marcos had originally hoped to receive \$1 billion in military assistance alone in exchange for agreeing to the renewal. However, partly in response to pressure from his colleagues in the Association of South East Asian Nations (ASEAN), he settled for a mixed economic and military aid package worth \$500 million, to be spread over five years. The new agreement, which emphasized Filipino sovereignty, with Filipino officers nominally commanding the bases, was to remain in force until 1999. Agreement was also reached with Portugal to extend the 1951 arrangement permitting American forces to use Lajes Air Base in the Azores. The United States had been permitted to return to her bases in Turkey on an interim basis in October 1978, after the lifting of the 1975 embargo on certain military sales which Congress had imposed after the Turkish intervention in Cyprus. In October 1979 a three-month extension was arranged, and in early 1980, the two countries finally repaired their defense relationship, by initialing a co-operation agreement which provided a status for American forces in Turkey and a framework for U.S. aid. With the new agreement, only details remained to be settled to give the United States continued access to some 26 installations in Turkey.

Rapid-deployment Force

The succession of third-world crises--Iran, the Yemens, and Afghanistan--focused attention on the task of projecting military power beyond the United States' traditional deployment areas, a task long advocated by National Security Adviser Brzezinski.

The American military presence in the Middle East and Persian Gulf area increased sharply in 1979. In response to instability in Iran, the carrier *Constellation* sailed from Subic Bay for the Gulf in early January. This plan was cancelled, however, and *Constellation* was left hovering in the South China Sea, while a squadron of unarmed F-15 air-defense fighters was temporarily sent to Saudi Arabia in a

somewhat hollow demonstration of military reassurance. In late February, war broke out between the two Yemeni Republics. The U.S. Administration, prompted by Saudi Arabia, responded swiftly, and it was a testimony to the changing American mood that when the President used his discretion to short-circuit the Congressional arms sales review process (instituted as recently as 1978) Congress made no protest. North Yemen was supplied, at Saudi Arabia's expense, with some \$300 million worth of U.S. equipment, including M-60 tanks, two C-130 transports and a dozen F-5E fighters. (However, there were later indications that Saudi Arabia, ambivalent in her attitude to North Yemen, had held up the transfer of much of the arms.) *Constellation*, supported ultimately by ten surface combatants drawn from the Sixth and Seventh Fleets, was again dispatched to the Arabian Sea, and a squadron of armed F-15s and two Airborne Warning and Control System (AWACS) aircraft were sent to Saudi Arabia. By the autumn, however, fighting along the Yemeni border had diminished, the North Yemen Government looked stronger than it had six months before, and spasmodic unification talks between the two Yemens were reportedly under way. That suggested to some that U.S. efforts had been timely; to others, that they had been unnecessary.

Throughout 1979 the American naval deployment in the Indian Ocean, particularly of aircraft carriers, dwarfed the efforts of previous years. *Constellation* was relieved in April by the USS *Midway*, which left in early June but returned in October for joint exercises with the British Navy in the northwest quadrant of the Indian Ocean and stayed on when the Iranian hostage crisis broke on 4 November. On 16 November *Midway* was ordered to close on the straits of Hormuz and was later joined by the carrier *Kitty Hawk* and a substantial number of surface combatants. At one point in early 1980 the United States had a total of about 30 ships in the Indian Ocean, including three carriers, and in February 1980 a force of 1,800 Marines with equipment was dispatched to join this force.

The idea of a "quick strike" or a "rapid-deployment" force had been under study for some time, but in 1979 the plans became more concrete, and money was allocated for carrying them out. In the wake

of the 1973 Middle East war, many observers had felt that American interventionary capabilities in and around the Persian Gulf were dangerously weak in relation to both the importance of American interest there and the range of potential threats in the region. Although the United States still had some intervention capability (see *Strategic Survey 1978*, pp. 14-15), she no longer had either strong allies or access to bases in the region. Moreover, the level of possible turmoil and of armaments in the region suggested that any intervention would take place in a hostile environment, and that the forces would have to be "heavier" and more self-supporting than those currently available.

The five-year defense plan announced in December 1979 included \$9 billion worth of equipment for a newly-formed rapid-deployment force. The Army would earmark approximately 110,000 U.S.-based troops for this force, including the 82nd Airborne Division, while the Marine Corps would contribute another 40-45,000 men. The Administration expected to spend \$6 billion on developing and procuring a long-range wide-body transport (CX) with a projected IOC in 1986-7, and \$80 million was earmarked for initial development in FY 1981. It remained unclear whether CX would be an entirely new aircraft or a modification of existing designs like the Boeing 747 or the C-5 *Galaxy*.

The newest element of the defense plan, the allocation of \$3 billion for the procurement of fifteen specialized multi-purpose cargo vessels, reflected the difficulty of obtaining permanent bases in third-world regions. Stocked with tanks, artillery, vehicles, ammunition and supplies, these ships would be deployed at sea in the vicinity of potential trouble spots. In the event of a crisis (and a foreign request for assistance, for these plans presumed little or no local opposition), Marines would be flown in and fitted out with the seaborne equipment. The proposed FY 1981 budget included \$220 million to fund construction of the first two cargo ships, and by 1983 the Marines hoped to be able to move 16,500 men, with armour and air support, to virtually anywhere within six days and sustain them in combat for thirty days. The Marine Corps, in recent years uncertain of its future role, now faced new tasks. And, since these tasks were seen to complement Marine missions

on NATO's northern and southern flanks, some of the new cargo ships would also be deployed in the eastern Mediterranean.

Defense Spending

The Administration presented its FY 1980 defense budget to Congress in January 1979. Current outlays of \$122.7 billion were requested, on the assumption that this approximately represented the 3% real increase over the FY 1979 budget which had been promised to NATO in 1977. However, the use of an extremely optimistic 6.4% inflation estimate meant that by the middle of the year the Administration was compelled to request a \$4-billion supplemental appropriation in order to meet the growth target. Despite the clamour for increased defense spending, this request was initially obstructed in both the Senate and the House of Representatives. However, late in the year Congress finally approved an FY 1980 budget authorizing outlays of \$127.4 billion and a total obligational authority of some \$138 billion.

The FY 1980 budget was criticized in Congress and elsewhere as being "Eurocentric" and neglecting third-world contingencies. Air- and sea-lift deficiencies were not addressed and, although funds for a 62,000-ton "midi" carrier were requested, development of the AV-8B *Harrier* V/STOL aircraft for use from carriers was cancelled. These decisions satisfied neither those who believed in "super-carriers" able to steam into harm's way nor those favoring smaller V/STOL-equipped ships.

The President had vetoed the FY 1979 budget since it included funds for a 90,000-ton *Nimitz*-class nuclear-powered carrier, but had promised to earmark funds for a new carrier in the FY 1980 budget. The resultant request for the 62,000-ton vessel came over the objections of the Defense Department, which favored a 90,000-ton *Kennedy*-class conventionally-powered carrier. The House of Representatives held firm for a nuclear carrier, arguing that rising conventional fuel costs made it cost-effective. In October the White House yielded--reportedly as part of a deal to prevent Senator Helms' threat to sponsor lifting sanctions against Rhodesia and thus disrupt the Lancaster House talks on a Rhodesian settlement--and \$2.36 billion was appropriated for a *Nimitz*-class vessel in the FY 1980 budget.

The five-year plan announced by the Administration in December called for an average 4.5% real increase in defense appropriations during each of the next five years. The President promised to seek supplementary appropriations to maintain this level, even if actual inflation rates exceeded government estimates. For FY 1981 the Administration requested appropriations totalling \$157 billion (a full 5% in real terms above the FY 1981 figure of \$138 billion). However, actual outlays requested amounted only to \$142 billion, an inconsistency which evoked criticism from both ends of the political spectrum on Capitol Hill and raised doubts as to whether the Administration, faced with increasing inflation at home, would follow up its own strong words.

Still it was clear that the center of gravity in defense debates had shifted radically. Jimmy Carter, who had advocated major defense reductions in 1976, now presided over the first substantial real increase in the U.S. defense budget since the height of the Vietnam War in 1968. Over the previous ten years defense outlays had moved steadily downwards, and in real terms the United States spent less on defense in 1976 than in any year since 1960 (see chart on page 13). As the table shows, U.S. defense outlays in real terms have gone through rising and falling cycles lasting for a number of years. The increases announced by the Carter Administration followed the historical low point of 1976. Though at first glance a reaction to what was seen as an increasingly hostile international environment, they might mark the start of a rising trend which, like the underlying public mood, could persist.

U.S. Defense Outlays 1960-81

	Indices (1970=100)	\$ billion
	Constant prices	Current prices (Current prices)
1960	76.5	45.4
1965	82.1	51.8
1966	97.6	63.6
1967	112.7	75.4
1968	115.7	80.7
1969	110.8	81.4
1970	100.0	77.9
1971	92.3	74.9
1972	92.6	77.6
1973	88.1	78.5
1974	86.9	84.3
1975	84.3	92.8
1976	79.7	91.0
1977	83.0	100.9
1978	80.4	105.1
1979*(projected)	81.8	115.0
1980*(projected)	83.4	127.4
1981*(projected)	86.1	142.7

*Based on U.S.-estimated military inflation rates
(successively 7.5%, 8.6%, and 8.4%).

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